

Executive Summary

Louisiana's coastal ecosystem and wetland habitats are in peril due to the continued loss of coastal wetlands. Currently, Louisiana has 30% of the total coastal marsh and accounts for 90% of the coastal marsh loss in the lower 48 states. Between 1990 and 2000, Louisiana lost approximately 24 square miles of wetlands per year. That is equivalent losing approximately one football field of wetlands every 38 minutes. In 2004, the United States Geological Survey (USGS) projected that, between 1956 and 2050, Louisiana will have lost more than 2,000 square miles of coastal wetlands. Naturally occurring deltaic processes, exacerbated by human activities, have been identified as key contributors to this coastal land loss crisis. Therefore, as the State moves forward to implement its aggressive coastal restoration and protection effort, in accordance with the State of Louisiana's Comprehensive Master Plan for a Sustainable Coast, it is critical to also evaluate regulatory programs that have the potential to impact land loss rates, and to ensure that these programs are compatible with the objectives of the Master Plan. Louisiana's wetland mitigation policy is one such program requiring renewed attention.

While the current mitigation program achieves "no net loss" of wetlands due to permitted activities related to development within the coastal zone, the State of Louisiana recognizes that this activity and associated wetland mitigation are crucial considerations in the state's overall coastal restoration and protection efforts. We know that it is more desirable to protect wetlands than to create wetlands. However, we also understand that integrated coastal management requires a balance between multiple uses of coastal resources on a sustainable basis, such as commercial, residential, industrial, recreational and ecological uses. It is also in the best interest of taxpayers and landowners that public and private resources be utilized in the most cost-effective manner and toward the greatest common good. This includes resources that are expended on compensatory mitigation for impacts to our coastal wetlands.

The broad intent of Louisiana's State and Local Coastal Resources Management Act of 1978, the law upon which our current mitigation regulatory program is based, is to encourage multiple uses of resources and ensure adequate economic growth, while minimizing adverse effects from one resource use upon another without imposing undue restrictions on any user. Louisiana's mitigation program must accomplish the balancing that is required by law, while ensuring that wetland loss is compensated and the use of resources is maximized for all users.

In an effort to achieve this intent while also complement the critical mission and objectives of the Master Plan for a Sustainable Coast, the State of Louisiana is recommending modifications to its compensatory mitigation program and become a more effective programmatic tool. At this significant time in the State's coastal history, as many of our coastal communities contemplate the reality of "restore or retreat," it is more important than ever that mitigation not only meet the letter of

the law, but more importantly, the spirit of the law. The mitigation program must do more. It must now contribute to the comprehensive sustainability of our coastal wetlands and coastal communities, rather than simply compensate for wetlands impacted.

As a start, it is imperative that clearly defined goals for the compensatory mitigation program be established that align with and better complement the Master Plan objectives, ensure no net loss of wetlands due to permitted activities, provide mitigation for important coastal resources, such as coastal forest, sand dunes and shell resources, allow for multiple uses of coastal resources, and provide for the most effective use of public and private resources. To ensure accountability, it is important to monitor the implementation of mitigation to ensure that the program is achieving the desired results. Revisions to laws, rules and procedures for the programs must be implemented accordingly. These policy improvements must be implemented in the best interest of the coastal environment and free of the special-interest influence that has often driven mitigation policy over the past 20 years. Our eyes must remain focused on the mission—comprehensive restoration and protection of Louisiana's coast.

Recognizing that Louisiana's Energy Coast generates more than 50 percent of the state's income, it is important that the revised mitigation program offer flexible mitigation options that respect economic development within our coastal zone while also promoting the sustainability of our coastal resources. It is clear that maintaining a sound economy in a coastal zone requires an appropriate level of sensitivity to both ecological and socioeconomic needs of the coastal area.

Therefore, the ideal compensatory mitigation policy will provide flexible mitigation alternatives, prioritize options that help to protect and restore the coast as identified by the Master Plan, are timely and economically justifiable to business, are integrated among state, federal and local governmental bodies to avoid bureaucratic inconsistencies and conflicting priorities and provide accountability and transparency to ensure the goals are realized. With such a policy, environmentally responsible and economically significant development projects in the coastal area of Louisiana could be realized.

Louisiana has made great strides over the past five years to coordinate its coastal restoration needs with its coastal protection needs to produce a Master Plan and subsequent Annual Plans that incorporate both. Louisiana's compensatory mitigation program should consider both issues as well.

The mitigation program must provide additional options for mitigation of public works projects, including hurricane protection projects, to ensure that the mitigation efforts that are taken work in concert with these projects to provide multiple lines of defense and establish additional wetland habitat. For example, if mitigation alternatives, like the creation of marsh adjacent to levees, have the potential to increase the surge protection and environmental benefits of a hurricane

levee system, we must give serious priority to these alternatives. Similarly, creating coastal forest can reduce hurricane wind velocity and provide a certain measure of protection to coastal communities and facilities. Projects like these should be encouraged in Louisiana's mitigation policy. Implementation of Louisiana's Comprehensive Master Plan for a Sustainable Coast will be enhanced by allowing public entities such as levee districts, ports, municipalities and public infrastructure facilities to protect the citizens of our great state and more effectively mitigate the impacts associated with these protection projects, in concert with the State Master Plan.

In conclusion, as Louisiana pushes forward with an aggressive plan to restore and protect our coastal wetlands and promote the sustainability of our coastal resources, it is critical that the state's compensatory mitigation program is closely coordinated with these restoration and protection initiatives. Therefore, legislative, policy and regulatory modifications to the mitigation program are being proposed that continue our commitment to no net loss of wetlands due to permitted activities and mitigation for other important coastal resources; recognize the need for multiple uses of coastal resources; encourage the most effective use of public and private resources; provide flexible mitigation alternatives that consider ongoing restoration/protection projects; and prioritize mitigation options according to their meeting the objectives of the State Master Plan. The revised program shall provide criteria for certain site specific mitigation projects, but with an emphasis on pooling resources through a state operated fee *in lieu* system for use in major ecosystem restoration efforts supporting Master Plan objectives and retaining certain mitigation bank options for continued flexibility. With implementation of these changes, fair and ecologically sound, flexible mechanism for mitigating the loss of coastal wetlands will be achieved.